

ECONOMIC DEVELOPMENT

A Sustainable Path for the Future

GOAL

Increase quality employment opportunities, the town's taxable base, the diversity of business offerings and the quality of business districts while ensuring the sustainability of the economy and improving general quality of life.

BACKGROUND

Description

As a university town in the New River Valley, Blacksburg's economy is relatively stable and healthy. Gross retail sales for Blacksburg have grown consistently (18%) between 1987 and 1997. Downtown storefronts remain occupied and are filled quickly when turnover occurs. From an industrial development perspective, the town has two distinct industrial areas, the Virginia Tech Corporate Research Center, home to research and development (R&D) types of industries and the Blacksburg Industrial Park which is a collection of more traditional manufacturing industries.

One indicator of the health of the town's economy is the diversity of the revenue stream that supports local government services. This diversity allows property taxes to remain relatively low. Real estate taxes provide only 14.6 percent of the town's general fund operating revenue.

Industrial Development

The Blacksburg Industrial Park, at the southern edge of Town, consists of approximately 160 acres. In the park and its extension, 20 businesses employ approximately 2,100 people. Included in this employment total are the Blacksburg Transit facilities and the town's public works facilities. The

most recent addition to the park is Haleos (formerly ACT MicroDevices), which manufactures fiber optic subcomponents and is an excellent example of the new economy companies the town encourages in Blacksburg. Efforts are underway to provide roads and



Figure ED-1, Corporate Research Center

utilities to the remaining acres that are not currently served, opening up additional industrial land for development. To the northwest, and adjacent to the Virginia Tech / Montgomery Executive Airport, is the Virginia Tech Corporate Research Center. This 120-acre campus-like research park provides a supportive environment for high-technology companies, many of which collaborate with faculty and research specialists at Virginia Tech. Thirteen buildings are complete, consisting of over 400,000 gross square feet, three will be operational in 2002, and thirteen future buildings are planned for a total of one million square feet of space. Over 110 tenants, consisting of private companies and various other research-oriented facilities, employ over 1,775 people.¹

Commercial Areas

Downtown

The core downtown commercial area accounts for slightly more than 268,000 square feet of ground floor commercial space with less than two percent vacancy as August of 2000. Nearly 40 percent of this commercial space is eating and drinking establishments, followed by 26 percent as personal and professional services, and 20 percent as specialty retailers. Collegiate Square, the newest commercial development in the downtown's "New Town" area, adds approximately 90,000 square feet with similar, but expanded services to the downtown core.

The largest difference in average store size between downtown Blacksburg and outside of Blacksburg is among grocery stores. In the downtown the average size is 2,300 square feet (9.0%) compared to that in the outskirts at 26,000 square feet. Apparel stores in downtown average 1,600 square feet or 70 percent of the outlying stores of 2,300 square feet. Specialty retailers in downtown are 2,100 square feet on average or 62.0 percent of the average 3,500 square feet store on the outskirts of downtown. Eating and drinking places are fairly similar in size, at 3,600 square feet on average downtown and 4,000 square feet on average in the outskirts (about 89.0%).

Store sizes are generally smaller in the downtown, particularly for grocers. Eating and drinking places are similar in size, about 400 square feet difference between downtown and the outskirts. Apparel stores and specialty retailers on the outskirts are about 800 square feet and 1,400 square feet larger in area, respectively. The implication is that the current storefronts in downtown Blacksburg are generally inadequately sized to attract regional and national chains. As such, it may require that new buildings and retail shops be established or that existing storefronts be combined.

¹ Virginia Tech Corporate Research Center, Inc., 2001. Dr. Joe W. Meredith, President.

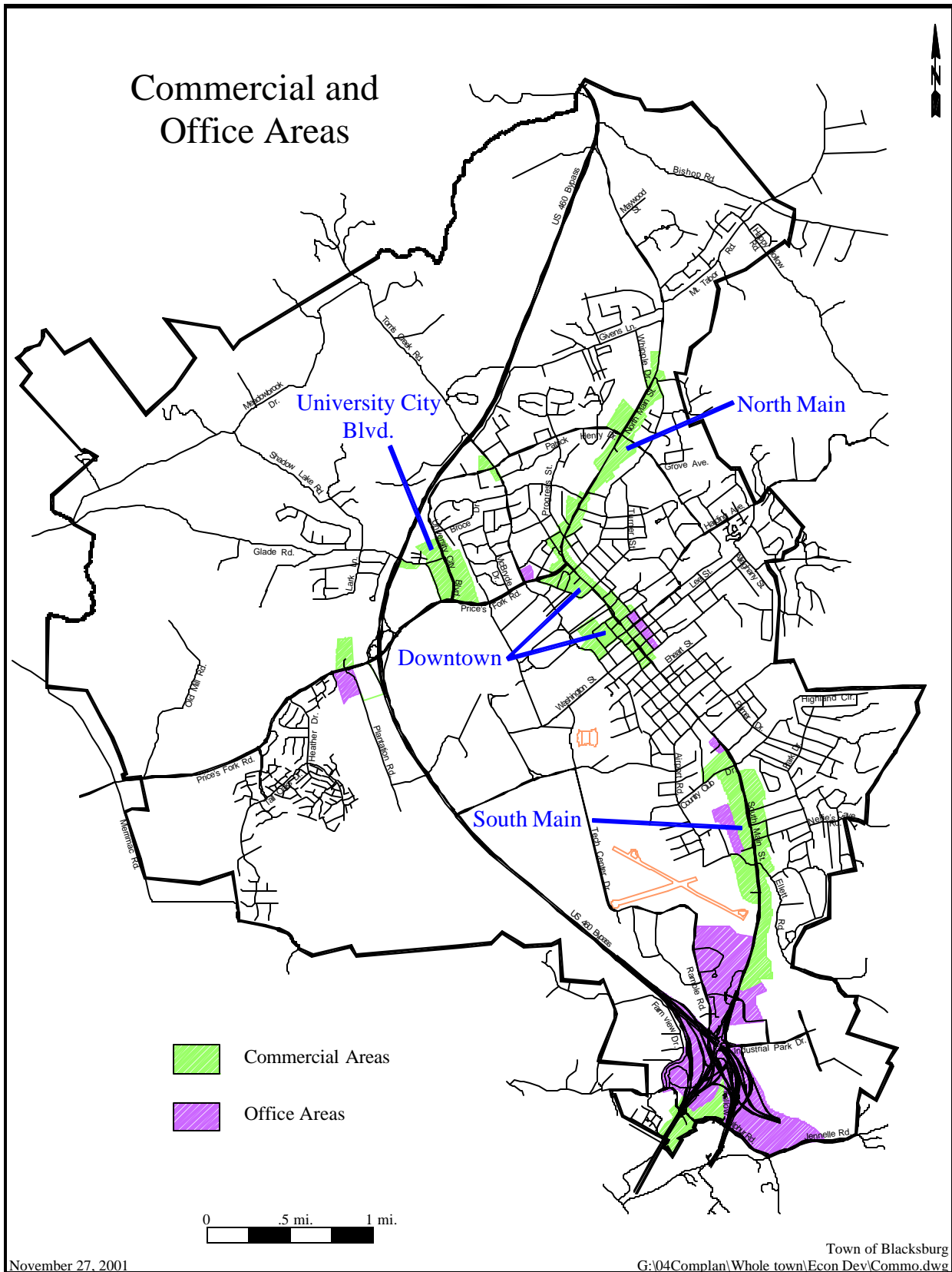


Figure ED-2, Commercial and Office Areas

South Main Street

The South Main Street corridor is the town's primary redevelopment corridor as evidenced by a concentration of neglected, declining, and undersized properties. The town has an opportunity to upgrade this corridor to increase property values, create more viable uses, create jobs, and improve the appearance of a primary gateway into the community. It is possible that a clothing-only "power center" could be developed along South Main Street near the Route 460 corridor if space is provided for five or six retailers. It is possible that a larger grocery store could also successfully locate along the South Main corridor.

The two major shopping centers are currently Gables and Blackburg Square. These centers fluctuate between being moderately healthy and having a significant number of vacancies. Gables renovated in the late 1990's and has a healthy occupancy rate (100%) entering this century. Blackburg Square has the existing space to potentially attract a major retailer. The remainder of the corridor is more fragmented with smaller parcels, aging structures, and marginally successful uses other than for a few diligent entrepreneurs.

South Hill, South Park, and Colony Park are three professional office and commercial centers that are more successful in this area of Town and approach the type of design that the town encourages. In the future, developments similar to these could serve as the primary commercial area for general merchandise and professional office space in Town.

North Main Street

The North Main corridor is still largely evolving and it is unclear whether the area will support further significant commercial development politically. The Patrick Henry Centre, which contains 51,300 square feet, is the only major commercial center in the northern portion of Town. Area residents have expressed a strong desire to keep the area north of this commercial node primarily, if not exclusively, residential. Further, residents express satisfaction with the current level of basic commercial services in the area such as grocery and sundries. The *Economic Development Strategic Plan* recommends the creation of additional commercial land uses in the area, particularly on one of the few remaining large parcels in Town. RKG Associates recommends this land use change due to the current and projected future deficiency townwide of commercial space, particularly retail space.

University City Boulevard

This commercial area has several large businesses including the University Volume Two bookstore, Kroger, the U.S. Post Office, Bonomos Plaza, and Macados among others, as well as the significant commercial center at the University Mall. This north-central area of Town is the second largest commercial area in Town. The future of the University Mall, which is the town's largest single commercial center (165,200 SF), is critical for the successful introduction of retail and niche commercial.

Virginia Tech will play a pivotal role in this area's future since they are the primary tenant in the Mall, especially if they acquire the University Mall. The conversion of this prime commercial space to an exclusively academic or administrative use would be detrimental to the town's ability to attract retail, or any significant commercial business to the area. Conversely, if the town can partner with Virginia Tech either directly or in conjunction with the private sector, then a viable commercial mixed-use could be achieved on the site. Such a development could infill commercial uses along the University City Boulevard corridor to maximize the commercial use of the site and to better address the street. Improvements to the streetscape aimed at calming traffic, softening the landscape, and making the corridor more pedestrian oriented is also important to fostering a strong commercial image.

Retail Shopping Center Inventory for Blacksburg (Excluding Downtown)			
Street	Shopping Center or Store	Square Footage (SF)	Estimated Vacant SF
South Main Street	The Gables Shopping Center	144,535	728
	Blacksburg Square	104,500	24,000
University Boulevard	University Mall	165,200	0
	Kroger	52,300	0
Other	Hethwood Square	38,600	0
	Patrick Henry Centre	51,300	0
TOTAL		556,435	24,728

Source: RKG Associates, Inc., Town of Blacksburg, and Local Owners and Developers.

Figure ED-3, Retail Inventory for Blacksburg (excluding downtown)

All of the town's primary commercial areas result in approximately 1.5 million square feet of commercial properties in Blacksburg, with the downtown area comprising an estimated 24.0 percent, almost one quarter, of this total. This is still less than the 2.2 million square feet of retail that was inventoried in 2000 along the Route 460 corridor in Christiansburg.

After estimating the sales leakage from Blacksburg's Primary Trade Area (PTA), potential retail sectors can be identified as candidates for expansion (i.e., new stores) throughout Town in general and in the downtown commercial district more specifically. The approach of this analysis primarily addresses the sales potential that is leaking from the local consumer base and as such may support additional retail expansion and new development. Any actual new development of retail and commercial space in Blacksburg would depend on these and other factors, including zoning issues, willing buyers and sellers, and property owners/tenants.

Another important issue for expanded development in the downtown commercial district is the availability of adequate parking. Part of the attraction for many regional and national retail chains, in addition to retail gravity, is the availability of adequate and on-site parking. Considering the pedestrian orientation of the downtown and limited available land for development, adequate parking may continue to be somewhat problematic. Nonetheless, a parking structure in the downtown could benefit both the existing merchant base and serve as part of the enticement package for new merchants.

Commercial Inventory for Blacksburg			
Selected Corridors	Properties [1]	Acreage	Building SF
South Main Street	73	44.5	599,642
University Boulevard	12	33	246,255
North Main Street	62	32.09	294,898
TOTAL	147	109.59	1,140,795
Source: RKG Associates, Inc. and Town of Blacksburg and Local Owners and Developers.			
[1] – Reflects those properties coded "C", for commercial, from the Assessor's database.			

Figure ED-4, Commercial Inventory (excluding downtown)

Community Efforts

Downtown Merchants of Blacksburg

The Downtown Merchants of Blacksburg is an association that meets monthly to plan and implement improvements and enhancements to the downtown. Particular initiatives of the Downtown Merchants include the annual Steppin' Out festival, support for the Farmers' Market, and funding for holiday decor. All funds raised by the Downtown Merchants through Steppin' Out are funneled back into programs to maintain and enhance the vitality of downtown Blacksburg.

The Lyric Council

The purpose of The Lyric Council is to promote and encourage the continued use and development of the Lyric Theatre and to enhance community awareness and appreciation of the arts through programs, entertainment, and education produced at the Lyric. Built in 1930, the Lyric Theatre was the center of downtown Blacksburg activity for

many years. The renovations to the Lyric are substantially complete and the theatre's diverse programming includes film, theater, music, dance, and lectures.



Figure ED-5, The Lyric

Chamber of Commerce

The Blacksburg-Christiansburg Regional Chamber of Commerce (BCRCC) has been serving the community for over fifty years. The original chamber was incorporated in 1948 and served tourist requests as a part-time operation until 1981. At that time the chamber became a full-time operation which now employs two full-time staff and one part-time position. This volunteer organization, composed of over 800 members, strives to promote commercial and civic interests of the area. There is currently an effort to merge the Blacksburg Chamber with the neighboring Christiansburg-Montgomery Chamber. This merger will allow the two organizations to avoid duplicate efforts and form a single, more effective organization.

Business Relations Advisory Committee (BRAC)

The Business Relations Advisory Committee serves as the Town Council's primary advisory body on economic development goals, objectives, policies, and programs. The committee is composed of a minimum of seven members appointed by the Mayor with the concurrence of the rest of Town Council.

In 2001 the Business Relations Advisory Committee, in conjunction with Town citizens, developed an *Economic Development Strategic Plan* to guide economic development activities for the next ten to fifteen years. The plan examined business climate factors analyzed the town's economic base, real estate supply, and retail market conditions and made recommendations for future economic development initiatives. Most of the analysis in this chapter is taken from the *Economic Development Strategic Plan*.

BUSINESS CLIMATE FACTORS

Business climate factors contribute both positively and negatively to the environment in which businesses operate. A good business climate is one that offers a safe and stable place for business. Strong and supportive government, quality education and labor resources, public safety, favorable taxation policies, and loyal consumers are just some of the important factors that contribute to a positive business climate.

Increased risk, uncertainty, and instability in the market place negatively impact businesses, as well as in the communities in which they operate. To the extent that local communities support the creation and expansion of local businesses, they are able to create a business climate that is more inviting to private business owners.

Crime

The Department of State Police publishes a document every year titled "Crime in Virginia". This document details the crime statistics, by type, for each police jurisdiction in the state using the Incident Based Reporting (IBR) system. These crimes are classified as groups "A" and "B". Group "A" crimes are considered to be the most serious crimes (e.g., murder, rape, kidnapping, drug trafficking, fraud, larceny, vandalism, etc.) and are generally felonies, including 22 categories of crimes consisting of 46 separate offenses. For the purposes of this document, the 22 categories have been collapsed into five sections. Group "B" crimes are generally misdemeanor offenses such as trespassing, littering, loitering, disorderly conduct and are not used in this analysis.

The Town of Blacksburg had 1,621 Group "A" offenses in 1999, translating into a crime rate of 4,083 offenses per 100,000 residents for the town. This crime rate is slightly higher than the state average (3,684 per 100,000 persons) for Group "A" crimes. However, Blacksburg has a significantly lower crime rate than the surrounding competitive localities, averaging approximately 50 percent fewer Group "A" crimes. The largest disparity lies between Blacksburg and Christiansburg, with Christiansburg averaging almost three times the number of Group "A" offenses per 100,000 people.

Crime Rate Comparison (per 100,000 people)				
	Blacksburg	Radford	Roanoke	Christiansburg
Population	39,700	16,300	93,800	16,200
Group "A" Offenses, 1999				
Violent Crime	35.3		111.9	191.4
Assault	468.5	220.9	1,544.8	2,598.8
Non-Violent Crime	1,435.8	2,552.1	1,190.8	2,790.1
Theft	2,015.1	1,791.4	4,505.3	4,722.2
Other	128.5	454.0	413.6	1,185.2
TOTAL	4,083.1	5,073.6	7,766.5	11,487.7

Source: Crime in Virginia, 1999

Figure ED-6, Crime Rate Comparison

Housing

Single-family residential structures account for 33 percent of all Blacksburg housing units according to the *Cost of Land Uses Study*. In contrast, single-family structures account for at least 50 percent of

the total unit count in the other competitive communities of Radford, Christiansburg, and Roanoke. This unique housing stock offers many options for renters, mostly students, but fewer options for those wishing to buy a home in Blacksburg.

According to the local Homebuilders Association, the Town of Blacksburg has historically maintained higher housing prices, as compared to other locally competitive communities. In recent years, the average single-family detached house in Blacksburg has sold for approximately \$186,000. In comparison, a single-family house in Christiansburg typically sells for near \$126,000, while the county average is closer to \$156,000. Blacksburg maintains a higher average selling price compared to the region as well, with both Radford (\$104,000) and the Roanoke Valley (\$138,000) reporting lower average sales prices.

Higher Education

Virginia Tech offers 71 undergraduate and 147 graduate programs in eight colleges (agriculture, architecture, arts/sciences, business, human resources/education, engineering, natural resources, and veterinary medicine). With annual research expenditures of about \$170 million, Virginia Tech consistently ranks among the top 50 research universities in the United States. In addition, the Virginia Tech Corporate Research Center offers programs and physical facilities to support joint development of industrial research with business and industry. The university has set a goal to become a top 30 research institution over the next decade.

Radford University located in neighboring Radford, Virginia offers undergraduate students over 110 program options in the Colleges of Arts and Sciences, Business and Economics, Education and Human Development, Health and Human Services, and Visual and Performing Arts. In addition, the College of Graduate and Extended Education offers 45 programs of study at the master's and specialist levels.

New River Community College (NRCC), located just outside the Town of Dublin offers a comprehensive selection of occupational and technical education, university parallel/college transfer education, general education, continuing adult education, special training and development programs, as well as specialized regional/commercial services. The college enrolls an average of 2,700 students per quarter.

These institutions of higher learning provide benefits to the regional community far beyond their direct impacts of educational excellence. These institutions offer partnering opportunities for business and industry to further research and development in technical and physical processes as well as production techniques. They are economic

generators for the region and offer a variety of cultural and entertainment activities for the entire community.

Wages

Montgomery County had an average weekly wage of \$519 for all industries in 1999. In comparison, the New River Valley Study Region had an average weekly wage of \$560, approximately eight percent higher than Montgomery County.

The data reveal that the New River Valley Region offers more competitive wage rates in more blue-collar and production-oriented sectors, such as agriculture, construction and manufacturing, while Montgomery County offers higher wages in typically white-collar sectors, such as retail trade, service and finance, insurance and real estate.

Utilities and Taxes

The Town of Blacksburg offers competitive rates for utility consumption to residential and commercial users. However, these utility rates do not have much room for increases if they are to remain competitive, especially in water and sewer usage.

Monthly Utility Cost Comparison, 2000 Blacksburg and Surrounding Localities				
	Blacksburg	Christiansburg	Radford	Roanoke [1]
Water				
Set-Up (Fixed Fee)	\$5.00	\$5.00	\$0.00	\$1,119.00
Fee	\$2.93	\$3.57[2]	\$4.70[2]	\$7.88[5]
Usage (per 1,000 gallons)	\$2.67	\$1.79	\$2.00[4]	\$1.47
Sewer				
Set-Up	\$5.00	\$5.00	\$0.00	\$452.26
Fee	\$2.77	\$16.00[3]	6.54[2]	\$0.00
Usage (per 1,000 gallons)	\$2.81	\$4.00	\$3.27	\$2.17
Power[6]				
Residential	5.65	5.65	6.23	5.65
Commercial	4.73	4.73	5.98	4.73
Industrial	3.49	3.49	3.70	3.49
Trash				
Per Month	\$13.57	\$10.00	\$13.00	\$0.00
Source: Local Jurisdictions and US Department of Energy, 2000 [1] - The City of Roanoke is measured by cubic feet, but fees have been converted into price per 1,000 gallons for comparison purposes [2] - Includes first 2,000 gallons [3] - Includes first 4,000 gallons [4] - There is also a \$0.70 surcharge [5] - Includes first 1,500 gallons [6] - Average rate in cents per KWh for residential, commercial and industrial uses				

Figure ED-7, Monthly Utility Cost Comparison

Blacksburg has maintained fairly competitive tax rates to the surrounding communities. Over the past decade, the town's local real estate tax rate has remained at \$0.20 per hundred dollars of assessed valuation. In almost every case, the town tax levy is very close to the regional average. The City of Roanoke consistently ranks the highest in local tax rates, giving Blacksburg and the other communities a cost advantage in local tax burden. In contrast, Christiansburg and Radford have more competitive rates, often below the tax levels for Blacksburg.

Local Tax Rate Comparison By Jurisdiction, 1999				
	Blacksburg	Christiansburg	Radford	Roanoke
Real Property [1]				
Local	\$0.20	\$0.14	\$0.63	\$1.22
County	\$0.63	\$0.63	-	-
Personal Property [1]	\$2.40	\$2.90	\$2.14	\$3.45
BPOL [2]	\$50.00 [3]	\$30.00 [4]	\$30.75 [3]	\$50.00 [5]
Retail	\$0.200	\$0.080	\$0.135	\$0.200
Contractor	\$0.100	\$0.064	\$0.125	\$0.140
Business Services	\$0.230	\$0.144	\$0.140	\$0.360
Professional Services	\$0.370	\$0.232	\$0.365	\$0.580
Public Utilities [6]	0.5%	0.5%	N/A	\$0.400
Cable TV	\$0.360	N/A	N/A	N/A
Real Estate	N/A	N/A	N/A	\$0.470
Wholesalers [7]	\$0.050	\$0.050	\$0.068	\$0.260
Meals	4.0%	4.0%	4.0%	4.0%
Hotel	4.0%	4.0%	2.0%	6.0%
Source: State of VA; Local Jurisdictions and RKG Associates, Inc, 2000 [1] - This tax rate is per \$100 of assessed value [2] - The numbers given by business category are per \$100 of gross receipts, unless otherwise noted [3] - For first \$50,000 of receipts [4] - Minimum BPOL fee [5] - For first \$100,000 of receipts [6] - Blacksburg and Christiansburg are based off a percentage of total gross receipts [7] - Wholesalers are charged a BPOL based on gross purchases				

Figure ED-8, Local Tax Rate Comparison

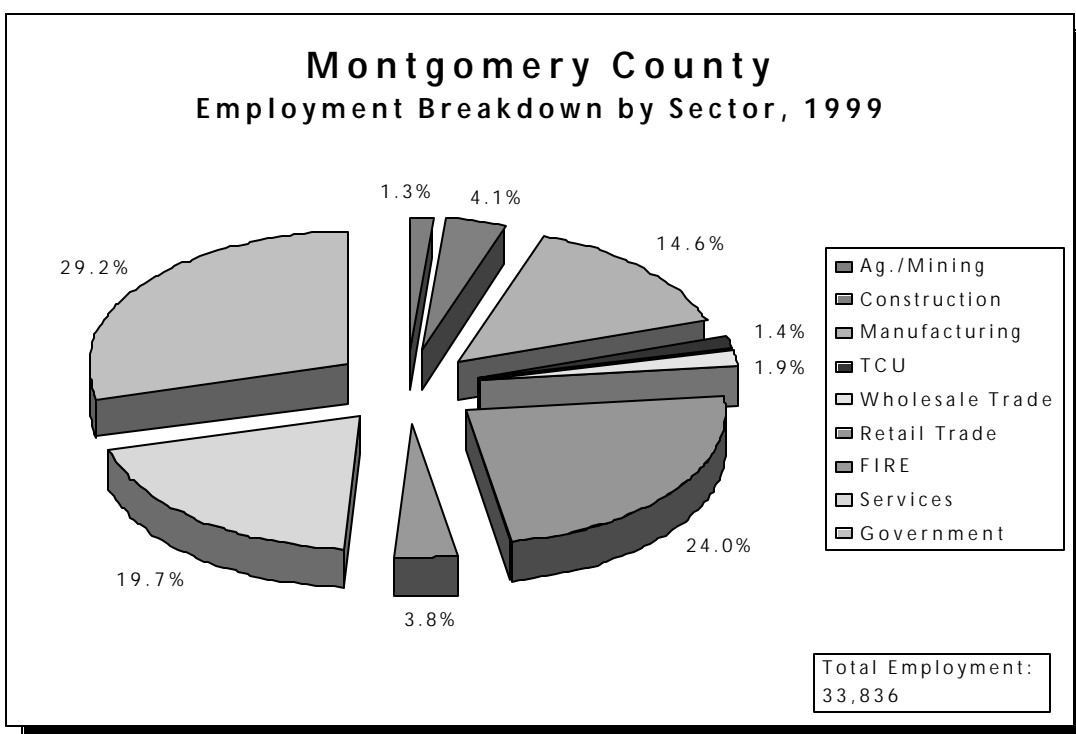
ECONOMIC BASE ANALYSIS

The economic base analysis examines historical trends in the regional economy, including recent changes in employment and business establishments, civilian labor force and unemployment rates, wages, labor force skill levels, and other related data. For the purposes of this analysis, the region has been defined as Floyd, Giles, and Pulaski Counties as well as Radford City. It is important to note that Montgomery County has been omitted from the regional data, except where noted. This has been done to create a direct comparison between the local and regional economic markets competing, on a certain level, for residential and commercial growth. The data were

primarily collected from the Virginia Employment Commission and the U.S. Department of Commerce.

Employment

Montgomery County has had an increase of 10.3 percent in employment since 1989. Of that total, the retail trade sector (8,123 jobs) comprised the largest share of employment in 1999, followed by the service sector (6,689 jobs) and state government employees (6,661 jobs).



Source: VA Employment Commission, 1999

Figure ED-9, Montgomery County Employment Sectors

In contrast, the New River Valley Region (excluding Montgomery County) had a total employment base of 33,762 jobs, and experienced a 17.3 percent increase in employment from the 1989 figure. The manufacturing sector (12,604 jobs) comprises the largest portion of the region's employment base, followed by retail trade (5,273 jobs) and services (5,028 jobs).

Montgomery County has the highest concentration of public sector employment, as a percentage of total employment, in the New River Valley. This can primarily be attributed to the influence of Virginia Tech, which accounts for over 8,500 state government positions.

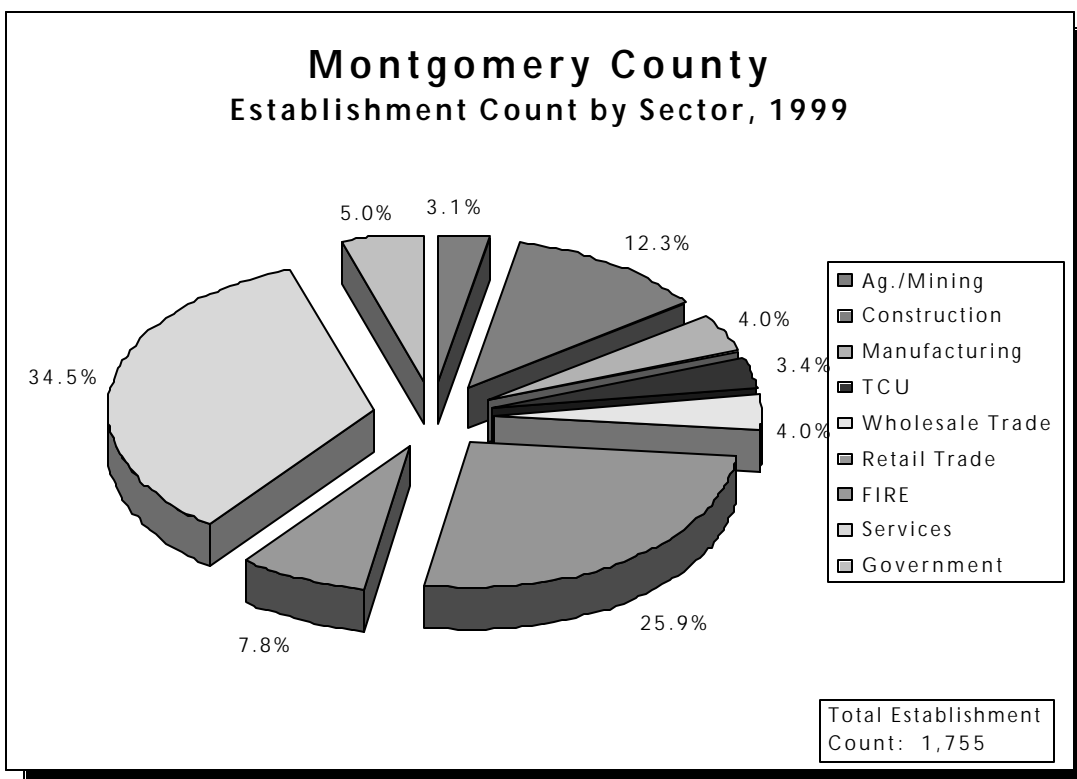
Montgomery County had a net increase of 3,217 jobs between 1989 and 1999, but experienced significant shifts in employment concentrations. Employment trends indicate that the county's employment base is shifting from a manufacturing and government focus to a more service, retail trade, and government orientation. During this time frame, the manufacturing sector experienced a loss of almost 3,000 jobs, constituting a 38 percent decline in employment totals. This net decline can be directly attributed to a government downsizing of the Radford Army Ammunitions Plant in the early 1990s, which lost over 2,500 jobs from that location. In terms of absolute change, the service sector experienced significant growth (87%) in several industries, especially business, health and engineering, accounting, and research services. In contrast, the manufacturing sector experienced the most significant loss.

When compared to employment trends over the 10-year study period, it is apparent that Montgomery County has been losing higher paying manufacturing jobs and replacing them with lower paying service and retail jobs. Based on 1999 data, Montgomery County's service and retail industries pay weekly wages that are lower than the average weekly wage for manufacturing employees by roughly 25 percent and 62 percent respectively (\$685/week).

Employment Trends by Sector Montgomery County (1989-1999)				
INDUSTRY	1989	1999	'89-'99	'89-'99 Percent Change
Total	30,665	33,882	3,217	10.5%
Agriculture	176	370	194	110.2%
Mining	41	74	33	80.5%
Construction	1,170	1,381	211	18.0%
Manufacturing	7,947	4,951	(2,996)	-37.7%
TCU	258	482	224	86.8%
Wholesale Trade	305	634	329	107.9%
Retail Trade	6,762	8,123	1,361	20.1%
FIRE	1,081	1,275	194	17.9%
Services	3,563	6,689	3,126	87.7%
Total Private	21,303	23,979	2,676	12.6%
Government - State	7,133	6,661	(472)	-6.6%
Government - Local	2,041	2,993	952	46.6%
Government - Federal	188	249	61	32.4%
Total Public	9,362	9,903	541	5.8%
Note: FIRE – Finance, Insurance & Real Estate TCU – Transportation, Communications & Utilities Source: VA Employment Commission, 1989-1999				

Figure ED-10, Montgomery County Employment Trends by Sector

Establishments

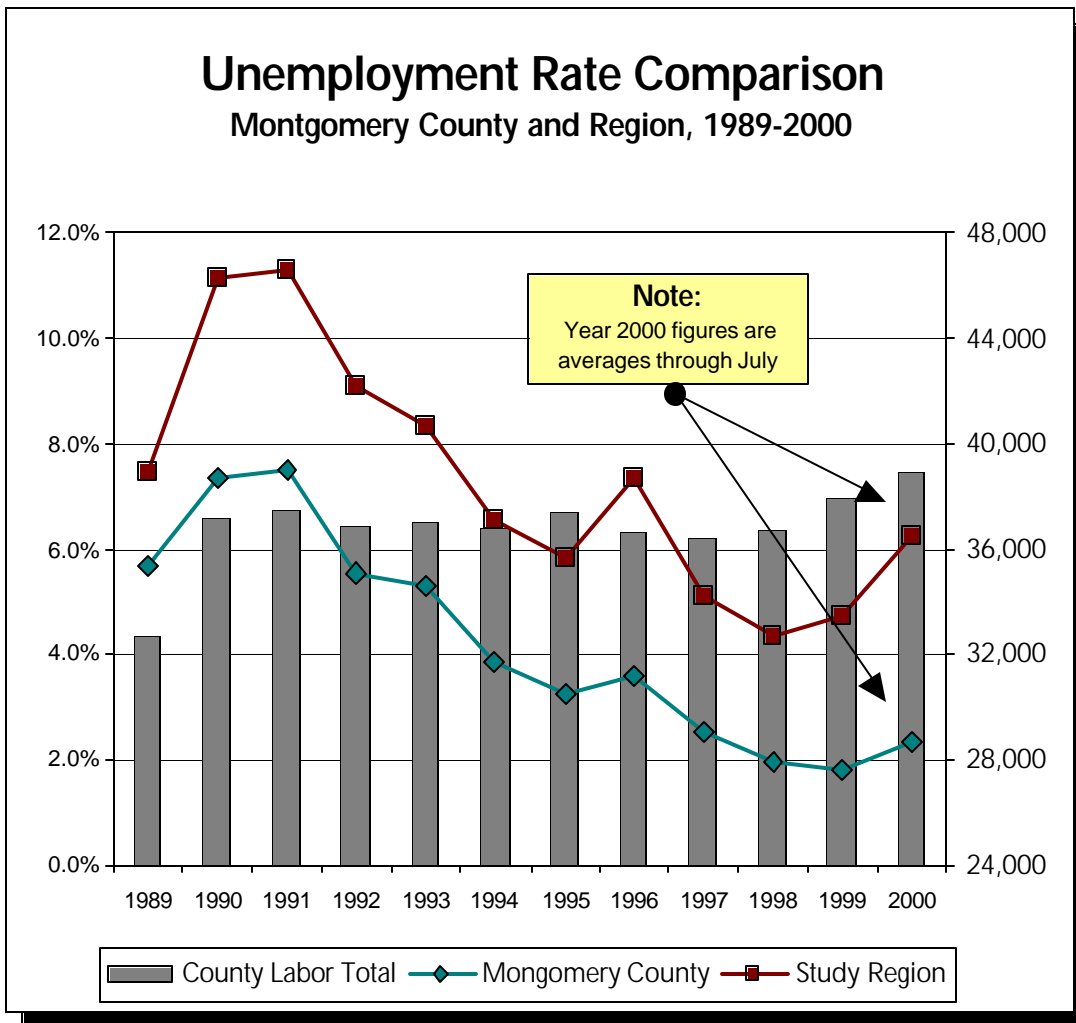


Source: VA Employment Commission, 1999

Figure ED-11, Montgomery County Establishment Sectors

In 1999, the county's economic base consisted of 1,755 business establishments, a 60.3 percent increase from the 1989 total of 1,095. This growth rate is six times higher than the employment growth rate for the same period.

Similar to employment growth, the service (235 businesses) and retail trade (143 businesses) sectors experienced the largest gains in establishment counts between 1989 and 1999.



Source: Virginia Employment Commission, 2000

Figure ED-12, Regional Unemployment Rate Comparison

According to the Virginia Employment Commission, Montgomery County currently has 38,920 participants in the labor force, with an unemployment rate of 2.3 percent. In contrast, the New River Valley Region (excluding Montgomery County) has a labor force of 41,160 with an unemployment rate of 6.3 percent. This indicates that Montgomery County accounts for almost 50 percent of the total regional labor supply while only accounting for 26 percent of the unemployed workers.

It is projected that high skilled and semi-skilled white-collar workers will drive the Southwest Virginia's economic future. According to the Virginia Employment Commission, the number of white-collar jobs will increase by 17,153, or 12.5 percent, over the next ten years. In

contrast, blue-collar jobs are projected to decline in number (4,723 jobs) by almost five percent over the same time frame.

Wages

According to the Virginia Employment Commission, the Study Region's average weekly wage rate increased over 51 percent since 1989 (not adjusted for inflation), or more than 50 percent faster than the growth in Montgomery County. In fact, Montgomery County had a higher average weekly wage rate in 1989 than the Study Region. Currently, the region has an eight percent higher average rate (\$560) than the county (\$519).

REAL ESTATE MARKET ANALYSIS

The real estate market analysis reflects the most current market conditions and analyzes development, leasing, sales, and absorption trends that have occurred over the past 10 years. In addition, RKG Associates conducted a number of interviews with local development and real estate professionals in order to understand the nuances of the Blacksburg market and to identify any structural or regulatory barriers that may be inhibiting local development activity.

The general purpose of this analysis is to identify future opportunities for growth and development within the region, with a specific emphasis on the Town of Blacksburg. It is likely that future growth in Blacksburg will largely follow established development patterns and will be guided by state and local development regulations.

Real Property Tax Base

The Town of Blacksburg has a total assessed value of \$1.18 billion. This total represents approximately 34.6 percent of the county's total taxable assessed valuation of roughly \$3.4 billion. In Blacksburg, residential land uses account for \$897.5 million, or 76.4 percent, of the non-exempt tax base. Employment-generating properties have a combined assessed value of roughly \$221.2 million, or 18.8 percent of the total tax base.

Blacksburg has a diverse mix of land uses consisting of 7,735 taxable properties covering 9,730 acres and 17.0 million square feet of building space. Residential uses account for the vast majority of the town's building stock, equaling 75.5 percent of the total building space and 70.1 percent of total assessed value, while only occupying 30.7 percent of the town's total land area. Employment-generating uses have a much smaller presence in Blacksburg, accounting for less than three percent of the total taxable parcels and 5.6 percent of the total acreage.

The town's residential tax base is comprised primarily of multi-family units, which constitute 71.4 percent of the total unit count while only encompassing 22.0 percent of the land area dedicated to residential uses. In addition, multi-family housing accounts for 53.5 percent of the total residential building space. Based on estimates prepared by the Town of Blacksburg Department of Planning and Engineering, there are approximately 8,988 multi-family units in Blacksburg. Single-family housing accounts for only 3,603 units of Blacksburg's total housing inventory.

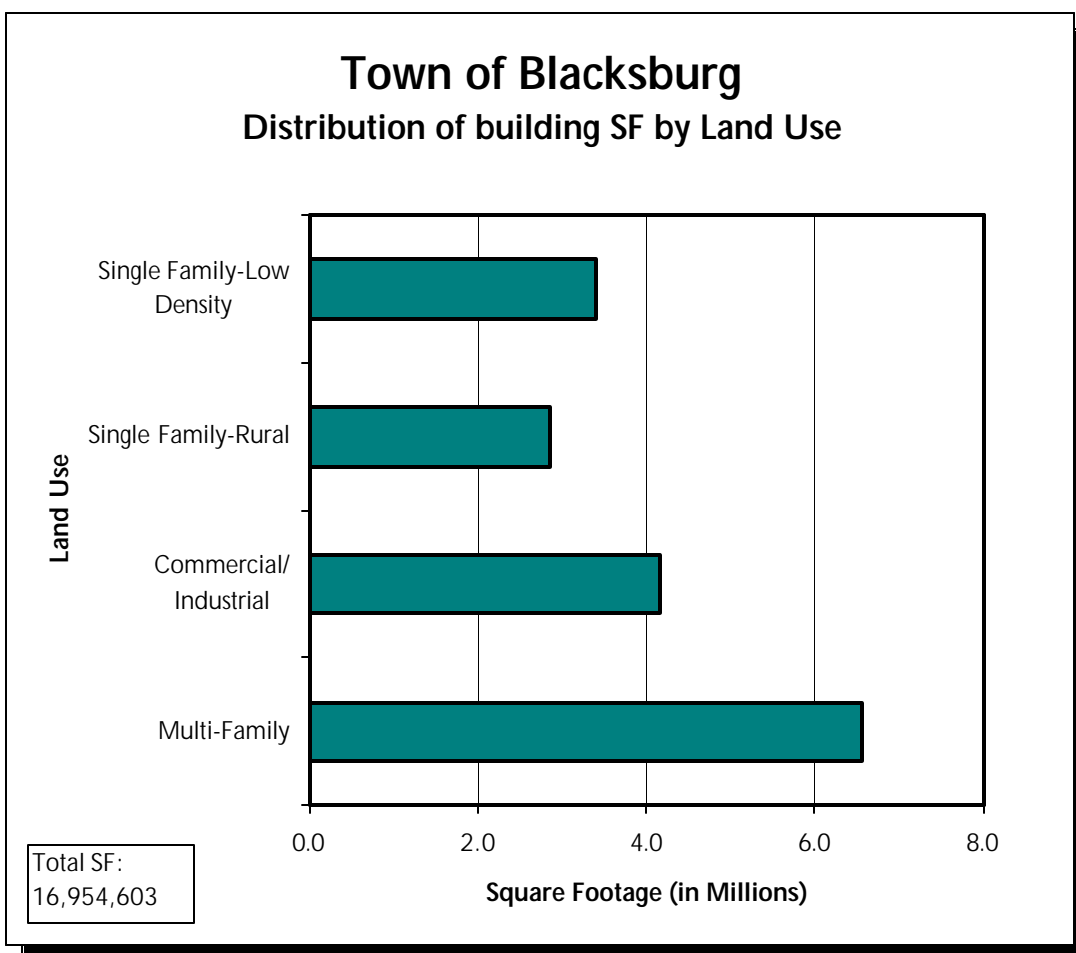


Figure ED-13, Building Square Footage Distribution by Land Use

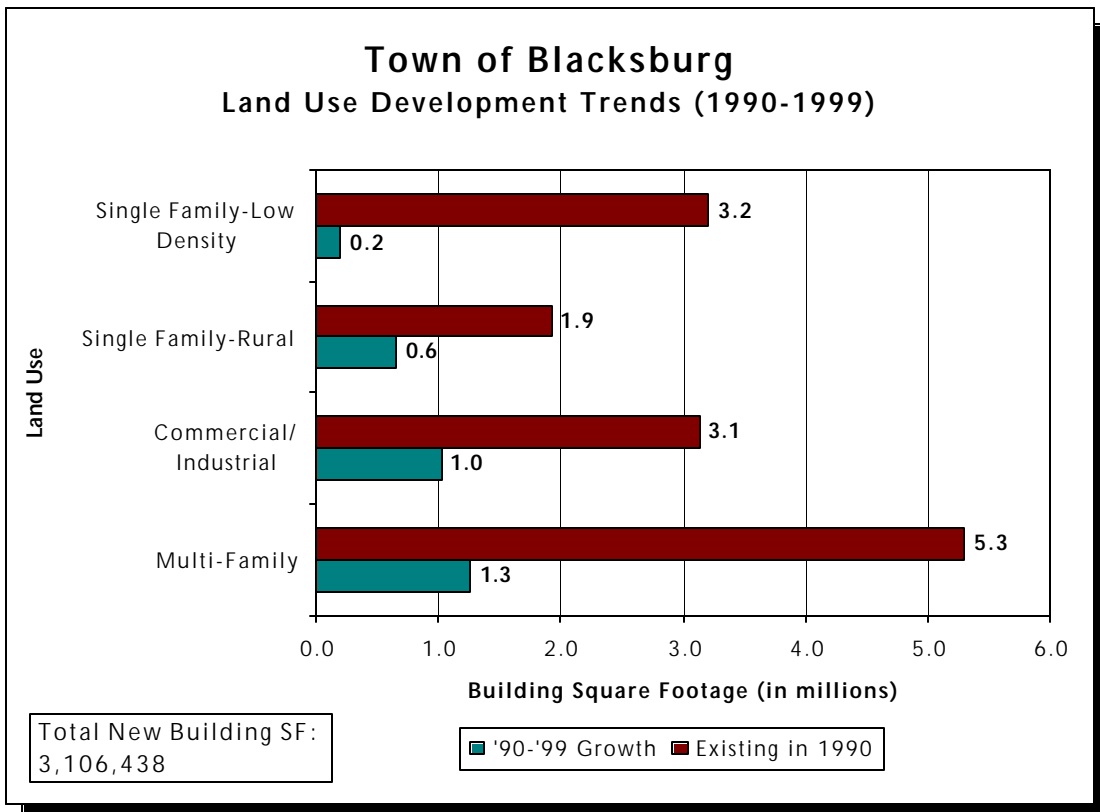
Commercial properties (primarily retail and mixed-use) constitute the majority of employment-generating uses. In fact, commercial uses account for 48.7 percent of the total building area, 51.7 percent of the town's total employment-generating parcels, and 37.8 percent of the total acreage. Industrial and R&D uses account for over 1.4 million square feet, or 23.8 percent of the town total building square feet, despite the small number of developed properties (24 parcels). This is

partially due to the presence of the Virginia Tech Corporate Research Center, which accounts for 380,600 square feet of building space.

On average, land values are significantly higher in Blacksburg than in the county. In fact, the overall average assessed land value in Blacksburg (\$29,635 per acre) is over 6 times higher than the county average of \$4,727 per acre. This is primarily due to the reduced influence of low-value agricultural and vacant land uses on the Blacksburg tax base.

Development Trends and Absorption Rates

Montgomery County has been experiencing significant growth in residential development. Since 1990, over 3,000 new single-family homes and 150 multi-family units have been constructed, which have added 5.5 million square feet of residential building space on 6,565 acres. This development has added approximately \$430.9 million in assessed value to the county's tax base. It is estimated that an average of 300 to 320 new housing units has been added each year over the past decade. Blacksburg has experienced steady growth in both residential and non-residential development since 1990. Approximately 1,500 new structures were constructed over the past decade, resulting in an estimated average of 145 new dwelling units



Source: Montgomery County Tax Assessor and RKG Associates, Inc.

ED-14, Blacksburg Land Use Development Trends

and 5 new employment-generating buildings per year. In total, 3.1 million square feet of building space was added with a total assessed value of \$199.5 million.

The average single-family detached house in Blacksburg is selling for about \$186,000. In comparison, a similar house in Christiansburg is typically sell around \$126,000, while the county average is closer to \$156,000.

The town experienced an average annual residential absorption of 208,886 square feet per year during the 1990s, with an average of 145 new housing units being built each year. This indicates that Blacksburg captured approximately 30 percent of the total residential building growth and 32 percent of the total new housing units in the county since 1990. In contrast to the county, multi-family housing accounts for the majority of residential development in Town, accounting for over 60 percent of the new residential square footage and 73 percent of the new housing units.

The average gross absorption rate for employment-generating uses was 142,897 square feet per year in Montgomery County (not including Blacksburg figures) during the 1990s. In contrast, only six parcels were developed each year, indicating that the average building size per parcel was roughly 22,327 square feet. In comparison, Blacksburg experienced an average absorption rate of 101,758 square feet, while adding approximately five newly developed parcels per year. This data indicates a slightly smaller average building size per parcel of 21,200 square feet. A significant portion of the townwide development in employment generating uses is directly attributable to the growth of the Virginia Tech Corporate Research Center. Removing that growth figure would diminish the Blacksburg figures by approximately 25 percent.

Route 460 Corridor Development

Over the past 10 years, the most significant development activity in the region has taken place along the Route 460 corridor, from Blacksburg's southern border to the Route 460/Peppers Ferry Road intersection. Over the past 10 to 15 years, this commercial corridor has been transformed into a regional shopping destination for the New River Valley region. Literally dozens of national retailers, restaurants, banks, offices, and service establishments have located to this area, resulting in a retail gravity shift away from the county's population center, the Town of Blacksburg.

Most of the development within this corridor has been primarily retail and service with a modest amount of professional office space. More specifically, the area has seen the development of the New River

Valley Mall, as well as, several “Big Box” retailers including Wal-Mart Supercenter, Lowe's Home Improvement Warehouse, K-Mart, and Goody's. In addition, Home Depot and Target have currently finished constructing new facilities in this location that add another 200,000 square feet to 300,000 square feet to the region's retail base.

Analysis of county property assessment records indicates that approximately 1.4 million square feet of new building space was constructed in this area between 1990 and 1999. With the addition of Home Depot and Target, this total will increase to between 1.6 and 1.7 million square feet of new space in just 10 years for an average of between 160,000 and 170,000 square feet per year.

Land Supply to Support Future Development

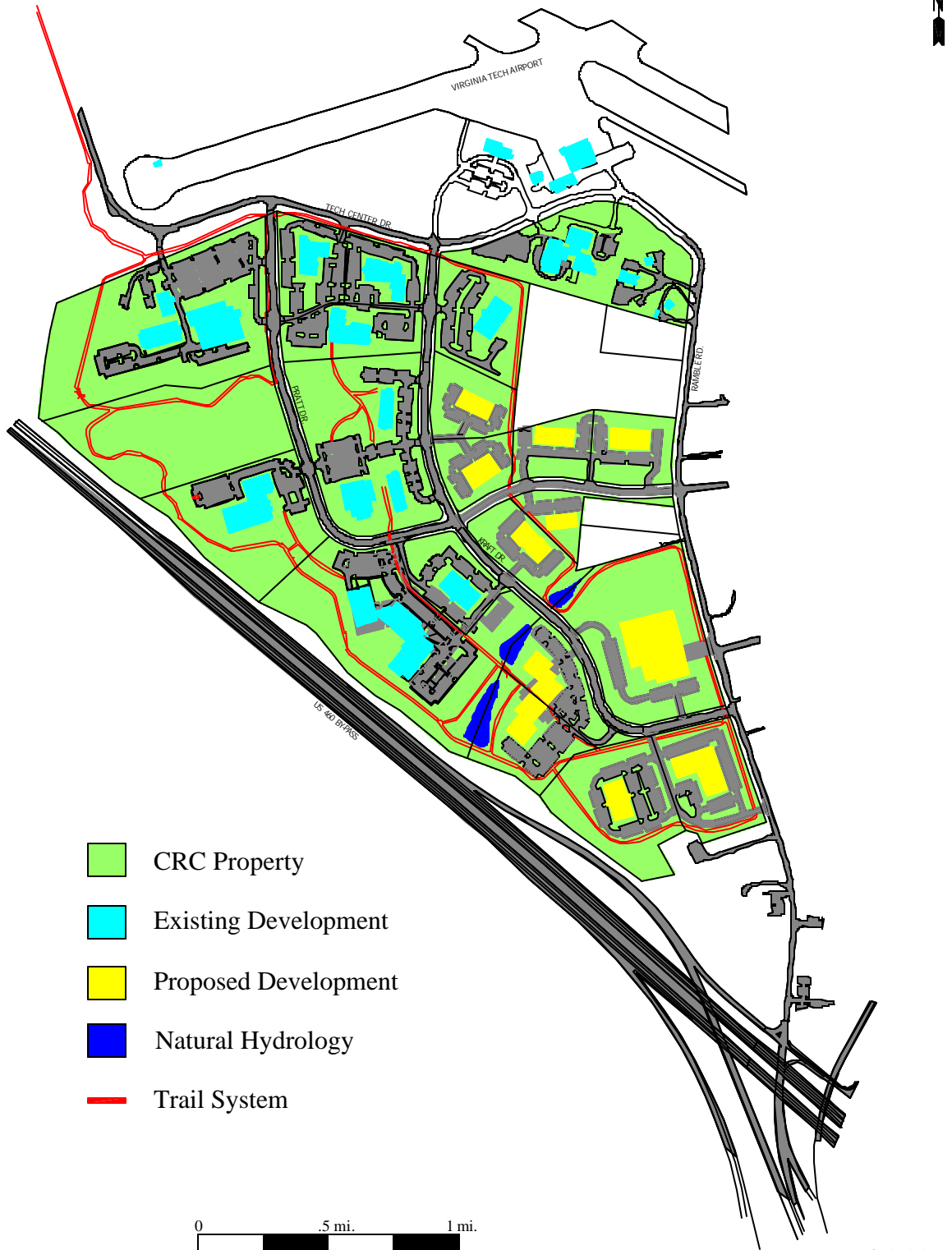
A screening of potential commercial and industrial development sites in Blacksburg indicates that there are approximately 78 potentially developable sites, containing approximately 350 acres. A more rigorous screening shows that there are only 24 prime properties that could support new development. It is estimated that there is a total of 194.2 acres of prime developable land in Blacksburg, with industrial properties accounting for 57.6 percent of this total.

Inventory of Developable Sites For Non-Residential Use		
	Count	Acreage
Commerical Sites		
Prime	14	82.27
Vacant	11	30.90
Underutilized	25	61.88
Total	50	175.05
Industrial Sites		
Prime	10	111.97
Vacant	12	37.93
Underutilized	6	28.57
Total	28	178.47
Source: RKG Associates, Inc.		

Figure ED-16, Non-Residential Development Sites

Based on historical absorption trends, The Town of Blacksburg may have less than a 15 to 20 year supply of privately owned land capable of supporting new commercial and industrial/R&D development. This does not include land available at the Corporate Research Center. The town should consider opportunities to rezone areas to support future economic development activity.

Corporate Research Center Master Plan



November 27, 2001

Town of Blacksburg
G:\04Complan\Whole town\Econ Dev\CRC.dwg

Figure ED-15, Corporate Research Center Master Plan

Development Community Perceptions

Blacksburg has gained the reputation as a “tough place to do business.” This reputation, whether real or perceived, may have created a disincentive for some developers. Despite this perception, most real estate professionals believe that Blacksburg has strong potential to recapture a significant portion of the county’s growth. Improved relations and added acreage would increase the likelihood of developers looking at Blacksburg as a possible project location.

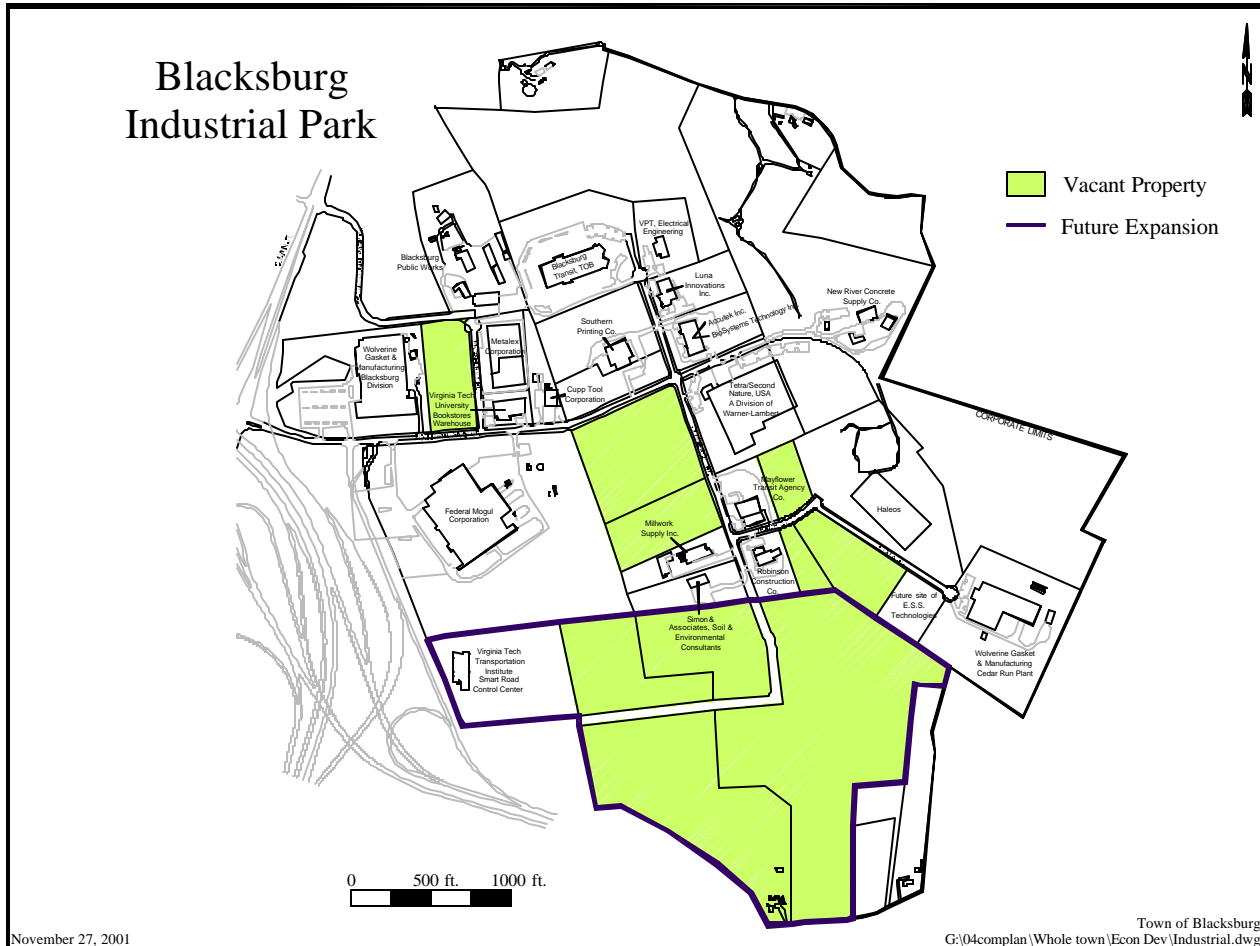


Figure ED-17, Blacksburg Industrial Park

Conclusions

Population trends indicate that the county, particularly Blacksburg, has been growing faster than the rest of the New River Valley for the past 20 years. According to the Virginia Employment Commission, this trend should continue over the next decade, resulting in steady demand for new housing development, employment, labor, and commercial/industrial development. Employment trends indicate that this expansion will most likely be in the service, retail trade, and government sectors. As a result, there will be increased demand for

land and building space and workers with solid education and skills, particularly in white-collar occupations.

The town is not positioned well to capture its fair share of future economic growth. The lack of available building space and appropriately zoned land will eventually inhibit the town's ability to sustain its economic development efforts. Negative perceptions among members of the development community have the potential to impede Blacksburg's economic development progress unless they are addressed directly.

RETAIL MARKET ANALYSIS

The retail market analysis details total sales, store count, and productivity from the U.S. Census of Retail Trade for a consumer trade area developed for the Town of Blacksburg and selected surrounding communities. Consumer demand, or spending potential, was assessed for Blacksburg using commercial (retail) inventories developed at the town level. The retail market analysis also identifies Blacksburg's future potential in attracting additional retail shopping venues to different sections of Town.

Competitive Retail Market

Over 10.3 million square feet of retail has been identified and inventoried in surrounding locations to Blacksburg, Virginia, with more than 2.1 million square feet (some under construction) of competing retail in Christiansburg. Most of this is in shopping and retail centers. In addition, negotiations are currently being pursued with the other "big box" tenants, such as consumer electronics and wholesale clubs, to locate outside Blacksburg.

Current retail vacancy in the communities surrounding Blacksburg is less than five percent. In fact, Blacksburg's closest competitors (Radford and Christiansburg) have less than three percent vacancy in retail space.

Retail Sales Trends

Retail sales throughout all four study regions (Blacksburg, Christiansburg, Montgomery County, and Virginia) increased during the ten-year span from 1987 through 1997. However, the sales growth was not uniformly distributed across the regions or by store types within each region. Total sales in Blacksburg grew significantly slower (18.0%) as compared total sales growth in Christiansburg (123.0%), Montgomery County (86.0%), and the Commonwealth as a whole (76.0%).

The 1987 retail activity in Blacksburg accounted for about 42.4 percent of the sales in the county, which was similar to Christiansburg (47.3% of the county's retail sales). However, by 1997 Christiansburg represented 56.8 percent of the retail sales activity in the county while Blacksburg had slipped to a 26.9 percent market share of the county.

Retail sales increased in the Town of Blacksburg by about 18.0 percent from 1987 to 1997, however, several store types in Blacksburg experienced a decline in sales. General merchandise and apparel stores and automobile dealers all lost sales between 1987 and 1997 in Blacksburg. Only drug store sales in Blacksburg had a growth rate exceeding 100.0 percent as sales rose from \$5.1 million in 1987 to \$14.1 million in 1997. General merchandise stores experienced a precipitous drop in sales (and store count) from around \$19.5 million to approximately \$2.5 million.

Blacksburg experienced a decline in total store count (-4.0%) between 1987 and 1997. General merchandise, food stores, apparel shops, and specialty retailers led the decline. This contrasts the trends for Virginia (14.4%), Montgomery County (23.9%), and Christiansburg (69.1%), which all experienced net growth in store count.

Despite these losses in store count and sales in Blacksburg, many store types continue to have a very high level of average sales. Specialty retailers are such an example whereby the average specialty retailer in Blacksburg is estimated to have 1997 sales of \$920,000, well above either Christiansburg or Montgomery County. This is in part due to the high concentration of specialty retailers in Blacksburg, at 50.0 percent of the county, as well as the spending and consumer potential that the Virginia Tech student population represents. As such, this also suggests that additional smaller, specialty retailers could find a receptive (and likely profitable) consumer market in Blacksburg.

Blacksburg Retail Base and Retail Leakage

Blacksburg has approximately 556,435 square feet of retail space outside of downtown and 268,000 square feet in the downtown. Of the 268,000 square feet of commercial retail and service space in the downtown, nearly 40 percent is eating and drinking places, followed by 26 percent as personal and professional services and 20 percent as specialty retailers. In contrast, the primary use outside the downtown was for services used at 38 percent, followed by grocery and food uses (28%) and specialty retail (10%).

Of the \$4.6 million in weekly consumer retail demand in the Blacksburg Primary Trade Area (PTA), about \$3.0 million or almost 65.0 percent is estimated to be leaking from Blacksburg merchants. It is reasonable to estimate that a good portion of this leakage is

occurring elsewhere in Montgomery County, especially in Christiansburg, considering its retail gravity, store mix, store size, and proximity.

This estimated \$3.0 million in weekly retail leakage from Blacksburg represents sales potential for new stores as well as existing stores. Considering the current retail development (and the continuing construction) in Christiansburg, it is unrealistic to assume that all of this leakage could be recaptured and even less so for particular merchandise categories such as building supplies, home improvement, and general merchandise/department store goods.

Conclusions

Retail vacancy in Blacksburg is very low, indicating a fairly healthy market for commercial leases and tenants. Despite this healthy market, there is a substantial amount of sales leakage from the Town of Blacksburg, indicating the potential for new stores and/or expanded stores.

The ability of the town to recapture a portion of sales leakage for certain merchandise lines, and consequently store types, is believed to be good for new stores in Blacksburg. The potential to recapture this leakage is not the only contributing factor to the new store potential. These opportunities are also influenced by improved roadway access, developing new retail gravity centers, and a growing population/household base in Blacksburg.

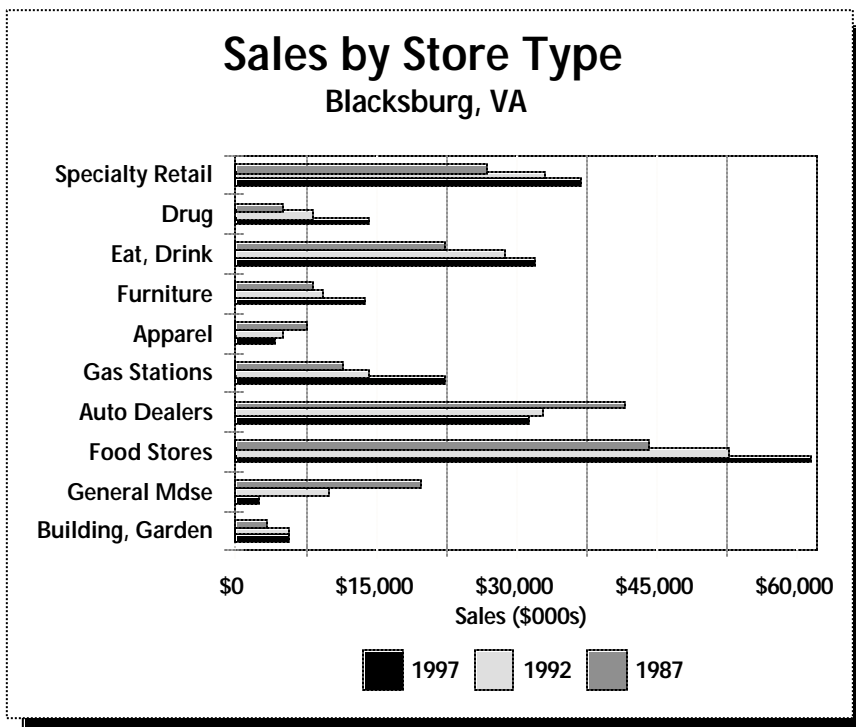


Figure ED-18, Sales by Store Type

The challenges to attracting national chains to the downtown are many including the limited size of downtown Blacksburg, the lack of off-street and convenient parking, and the smaller-sized existing storefronts.

MAJOR RECOMMENDATIONS

Based on the findings above, and after obtaining input from various segments of the Blacksburg community, the *Blacksburg Economic Development Strategic Plan* recommends a comprehensive action plan. Many of the land use and zoning recommendations were developed from the findings of a concurrent study prepared by RKG Associates entitled, *Cost of Land Uses Study*, which was completed in January 2001. The *Cost of Land Uses Study* examined various growth and development options for the community based on existing zoning, historical development patterns, and anticipated growth and economic development needs over the next 20 years.

The *Blacksburg Economic Development Strategic Plan* contains roughly 90 recommendations organized under six main topics: (1) Downtown Revitalization, (2) Business Development & Assistance, (3) Industrial Development, (4) Housing, (5) Neighborhood Enhancement, and (6) Quality of Life. The policy direction of this action plan was shaped by input obtained from the general public, a strategic plan steering committee including one member of the Business Relations Advisory Committee (BRAC), and a visioning group consisting of members of the business community, general public, university officials, and local government leaders. In addition, two expert panel group meetings were conducted with representatives from retail, service, manufacturing, and research and development (R&D) industries in Blacksburg.

These six main topic areas, along with the top-10 recommended changes and goals, are discussed below. The numerous individual action strategies that are also suggested by the economic strategic plan are covered thoroughly in the **Action Strategies** section of this chapter, and within a recommended timeframe.

Opportunities

- ◆ Over 100 acres is available for expansion, with the extension of utilities and other infrastructure, of the Blacksburg Industrial Park.
- ◆ The town has competitive tax and utility rates.
- ◆ The town has a low unemployment rate and the rate in Blacksburg is lower than the surrounding region.
- ◆ Blacksburg's high quality of life is a positive attraction.
- ◆ The town has experienced relatively recent growth in retail sales (18% from 1987-1997).
- ◆ Virginia Tech, Radford University, and New River Community College provide vast opportunities for higher and workforce education.
- ◆ The success and expansion of the Virginia Tech Corporate Research Center (CRC).
- ◆ Successful specialty retail stores are concentrated in Blacksburg and the potential exists for an expanded market.
- ◆ Blacksburg has established a "cutting edge" reputation in technology for such innovations as the Blacksburg Electronic Village and development of Intelligent Vehicle and Transportation Systems.
- ◆ Blacksburg has a "captive" commercial audience with students at the university. This population has a disposable income that matches the local offering of many specialty retail shops.
- ◆ Blacksburg has one of the highest concentrations of high income households in the region making it an ideal location for high-end retail.
- ◆ The proximity of Virginia Tech provides opportunities for research and development businesses, conference visitors, and visitors to athletic and special events.
- ◆ Blacksburg has a beautiful natural setting to attract new residents and tourists, and well-established events and festivals.

- ◆ The Virginia Tech / Montgomery Executive Airport provides private and corporate aviation service and operates as a regional airport authority.
- ◆ Blacksburg has built in tourism weekends throughout the year such as major sporting events, graduation, and reunions.

Challenges

- ◆ Businesses outside of the downtown area are not represented by unified organizations such as the Downtown Merchants.
- ◆ The housing market is dominated by multi-family housing and high-end single family homes and land values in Blacksburg are significantly higher than in surrounding areas, which leaves few options for homebuyers.
- ◆ Over the past ten years Montgomery County as a whole has seen a shift from higher paying manufacturing jobs to lower paying service jobs.
- ◆ Companies in the Research and Development District that successfully develop products are constrained in the manufacture of these products because manufacturing is not permitted in the Research District, and industrially zoned land is scarce.
- ◆ Blacksburg has experienced a decade long shift of retail stores to regional shopping centers in Christiansburg.
- ◆ Although there is a mix of retailers in downtown there is a perception that the downtown is completely student oriented.
- ◆ Based on historical absorption patterns, the town may have less than a 15-20 year supply of privately owned land capable of supporting commercial and industrial development.
- ◆ Blacksburg has a reputation among some developers as a tough place to do business.
- ◆ Almost 65 percent of retail spending is “leaking” from Blacksburg.
- ◆ Only five acres in the industrial park are publicly owned and readily available for immediate development.
- ◆ Blacksburg is not marketing itself for tourism and does not capitalize on its “built-in” tourist weekends, generally associated with University events.

- ◆ The visitors center, signage, and other identifiers for visitors are not evident to those unfamiliar with the area .

What is Changing

The *Blacksburg Economic Development Strategic Plan* strongly supports the Town of Blacksburg's implementation of the following changes over the next five years in order to achieve its economic development vision:

Establish an economic development corporation to manage the economic development affairs of the town. The Town of Blacksburg is large enough and the economic development needs of the community are important enough to justify the creation of a quasi-public authority to manage the town economic development affairs. There are a number of complex initiatives that must be pursued over the next 10 years that will require a significant commitment of staff and financial resources to implement. Currently, the Town of Blacksburg is not positioned well to capitalize on its opportunities and must hire the promotional and development expertise it needs to be successful.

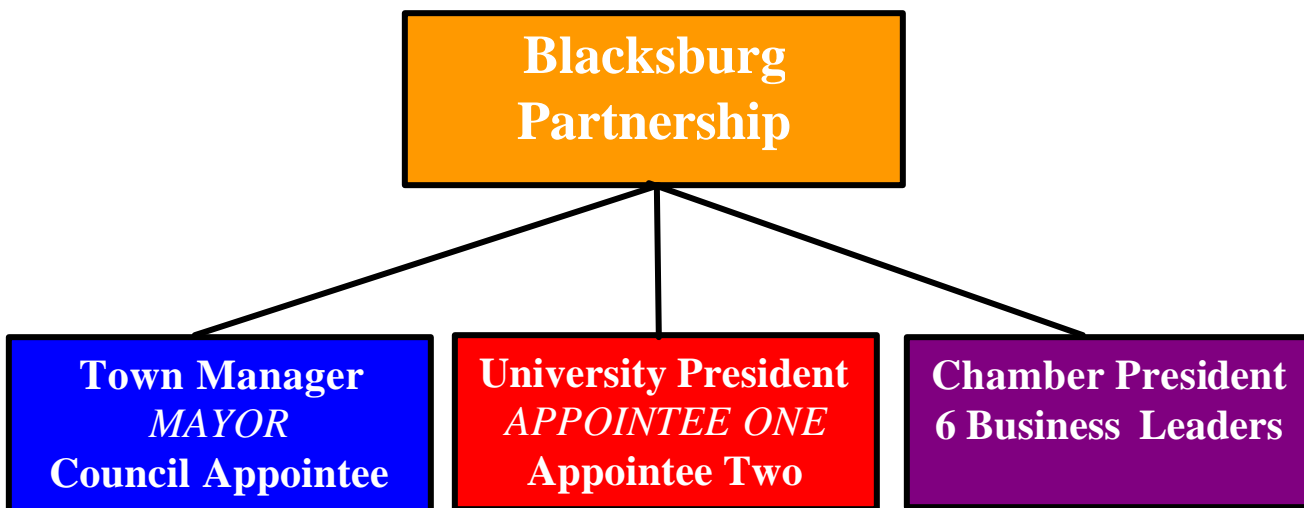


Figure ED-19, Blacksburg Partnership – an economic development authority

It is therefore recommended that an economic development authority called the Blacksburg Partnership be established, which would bring the town, Virginia Tech, and Blacksburg's business community into a partnership organization.

Initiate a downtown promotional campaign. In conjunction with the town's Downtown Revitalization Study, a series of promotional and advertising concepts have been developed. The objective of these campaigns are to (1) promote Downtown Blacksburg and the community as a whole to a broader market outside of Blacksburg and (2) promote the benefits of shopping existing downtown businesses. Downtown Blacksburg lacks a clear and identifiable image or identity. It is important that all town residents, visitors, and shoppers know what Downtown Blacksburg has to offer.

The town should consider the creation of a Business Improvement District (BID), which is a voluntary special taxing district. The BID would then act as the funding mechanism for a continued, or limited, advertisement campaign. At least 51 percent of the district's property owners must agree to be assessed an additional tax on real estate, in exchange for a higher level of services, which could include street clean-up and trash removal, street and sidewalk maintenance, increased security, promotion and advertising, events planning, and unified downtown management. The town and Virginia Tech would be encouraged to participate as well.

Adopt a retail recruitment strategy. The town has two primary retail needs that must be met through this action. Number one, the community desires to attract a general merchandise store to serve the needs of local residents. Secondly, the community would like to change the mix of businesses located in the downtown in order to appeal to a broader customer base including students, families, and visitors.

Work closely with Virginia Tech to plan for future enrollment increases and student housing needs. The town's biggest challenge in the future will be providing for the housing needs of new residents, many of whom may be new students at Virginia Tech. A closer partnership with Virginia Tech is needed in order to plan for potential enrollment increases at the university over the next decade as it strives to meet its goal to become a top 30 research institution in the country.

Prepare a redevelopment plan for the South Main Street corridor. Due to the lack of developable land in Blacksburg, the town must seek opportunities to redevelop areas that are currently under performing or are under-utilizing land resources. The South Main Street corridor is the town's primary redevelopment corridor, as evidenced by a concentration of neglected or declining properties. The town has the opportunity to upgrade land uses along this corridor that will increase property values, create more viable uses, create jobs, and improve the appearance of a prime gateway into the community.

Work with the university to seek higher utilization of prime retail properties at the University City Boulevard and South Main Street areas. Virginia Tech currently occupies the two best locations for a general merchandise store to locate. This condition has the potential to stifle the town's plans to attract a general merchandise store into the community. Local officials must effectively communicate the town's needs to Virginia Tech and work with property owners to identify suitable locations to support this type of use.

Establish Blacksburg's role as a leader in electronic government and business support services. The town has taken its eye off the Electronic Village concept that once brought it so much attention and notoriety during the early 1990s. Since that time, many other communities have entered the electronic village/E-government arena. However, the most successful communities will be the ones with the most advanced infrastructure and technology, innovative applications, and comprehensive delivery systems to the public. It is therefore recommended that the town recommit itself to a new generation of E-government initiatives in order to regain its position as an innovative and technologically advanced community. Building a reputation in this area will set the community apart from other competitive locations and give the community a marketable commodity to promote to new technology companies.

Maintain an inventory of available commercial properties and work with property owners to secure tenants. In order to recruit new companies and businesses to Blacksburg, the town must first create a complete inventory of properties to market. The best sources of real estate information are individual real estate brokers who represent property owners. However, no single broker lists every property in Blacksburg. The town, through its new economic development corporation, should establish a central clearinghouse of real estate that is for sale and lease. Cooperative agreements with local realtors must be established in order for this to be accomplished.

Consider the careful rezoning of areas for commercial development in the North End, Northwest, and Southwest sectors. The Town of Blacksburg currently lacks the appropriate land resources required to support future residential and commercial growth. Consequently, the town must consider rezoning certain areas of the community to accommodate new growth; primary multi-family residential and commercial uses. Detailed rezoning recommendations are presented in Chapter 7 of the *Blacksburg Economic Development Strategic Plan*. Under this action, there are several planning initiatives that should be considered, including:

- Rezone areas for retail and multi-unit residential uses;
- Monitor status of key development areas and adopt rezoning recommendations when necessary;
- Study the benefits of creating a “South Main Street Enterprise District” and package redevelopment incentives;
- Establish site and building design standards and transition from the “planned commercial” approval process.

Encourage the construction of a major performing arts center in the downtown. One of the best opportunities to create a unique attraction in the downtown is the proposed performing arts center being considered by Virginia Tech. The location of this facility in the downtown would create an anchor use in the heart of the district, create a nighttime and weekend use, increase pedestrian activity, and generally add to the vitality of the area. The Town of Blacksburg should consider partnering with the university to ensure that this facility gets constructed and ultimately benefits the downtown and the community as a whole.

GENERAL POLICIES

Downtown Revitalization

- ❑ Diversify retail and service offerings in downtown Blacksburg to meet both student and family needs.
- ❑ Implement parking solutions that address the need for expanded, convenient, and attractively designed parking.
- ❑ Increase the organization, promotion, and marketing of downtown Blacksburg and recruit new businesses.
- ❑ Encourage the upgrading of buildings in the downtown to encourage higher-end retail development.
- ❑ Create a unique attraction(s) in the downtown that will create an exciting sense of place, change local perceptions, and attract families, students, visitors, and shoppers. Host community festivals and downtown events to attract consumers to the downtown area.
- ❑ Create opportunities for new retail space in downtown.
- ❑ Market the downtown as a specialty retail destination.

- ❑ Institute a long-term mechanism to fund the enhanced maintenance, security, promotion, events planning, and management of downtown Blacksburg.

Business Development and Assistance

- ❑ Strengthen the commercial identity, organization, and coordination of merchants located in the University City Boulevard, North Main Street, and South Main Street commercial districts.
- ❑ Actively recruit a general merchandise store to locate in Blacksburg.
- ❑ Increase the town's capacity to support new commercial development.
- ❑ Improve the utilization of prime retail space in Blacksburg for retail uses.
- ❑ Enhance the flexibility and user friendly qualities of local permitting to encourage commercial expansion and construction activities.
- ❑ Capitalize on tourism associated with the natural environment and University events.

Housing

- ❑ Work in partnership with Virginia Tech and the development community to meet the projected demand for multi-family housing.
- ❑ Provide incentives to encourage the creation of affordably-priced housing in Blacksburg.
- ❑ Work with the county to control residential growth at Blacksburg's borders.

Industrial Development

- ❑ Expand industrial development opportunities at Blacksburg Industrial Park.
- ❑ Recruit new economy companies and workers with connections to Blacksburg and Virginia Tech.
- ❑ Enhance the town's role in local and regional economic development activities.

Neighborhood Enhancement

- ❑ Protect established single-family neighborhoods from the encroachment of rental and commercial conversions.
- ❑ Enhance the appearance and safety of Blacksburg's neighborhood districts.

Quality of Life

- ❑ Ensure that the "evolution" of Blacksburg does not compromise its small town quality of life.
- ❑ Create an attractive, safe community for local residents, businesses, and visitors.
- ❑ Actively promote and enhance environmental protection and open space.

ACTION STRATEGIES

in general

- Annually consider financial appropriations and seek annual contributions from Virginia Tech to support joint economic development interests.
- Provide assistance to merchants in organizing associations.
- Work with merchants and property owners to identify and address issues that are negatively impacting the business districts.
- Communicate to Virginia Tech officials the town's desire to expand local retail opportunities for local residents.
- Assist in creating a commercial district identity, priorities, and promotional and special events programs.
- Encourage neighborhood commercial development as part of large residential subdivisions that complements the style and scale of the residential community.
- Clearly articulate the town's development standards and requirements to the development community.

- Educate the development community on the review and appeal process for building code and zoning enforcement decisions.
- Continue a regular dialogue with the university administration to plan for future enrollment increases at Virginia Tech, particularly as it relates to the development of new student housing.
- Develop a logo and internal marketing campaign that will define and promote downtown Blacksburg.
- Encourage Virginia Tech to seek the private development of student housing on university or Tech Foundation owned property through a creative public/private development partnership.
- Work in partnership with Virginia Tech to address fraternity and sorority housing needs and to mitigate impacts to established single-family neighborhoods.
- Utilize the town's neighborhood planning initiative to educate the general public about the potential need for new multi-family and apartment housing in Blacksburg.
- Coordinate development activity at Blacksburg's borders with Montgomery County.
- Seek federal infrastructure grants to extend roads, water, and sewer to expanded areas of the park.
- Enforce building maintenance, occupancy regulations, and registration requirements for rental units located within Rental Permitting districts.
- Provide adequate notice to neighborhood residents regarding formal proposals for new development or redevelopment that would impact existing residential communities.
- Encourage developers to work extensively with abutting neighborhood residents to resolve community concerns prior to formalizing development plans.
- Communicate to the local development industry those factors that are most important to the community.
- Continue clustered housing approach, with open space set-asides, in rural residential areas of the town.
- Discourage other uses of valuable industrial land and ensure that industrial zoning limits the development of land to industrial

purposes to maximize the utilization of industrially zoned parcels in the town.

- Continue Town-business liaison efforts to encourage retention and vitality of existing businesses.
- Coordinate with surrounding economic development organizations.
- Support Virginia Tech's goal to become a top 30 research university.
- Encourage the relocation of non-tax generating uses from prime industrial land to less valuable locations.
- Continue to participate in the regional airport authority with Virginia Tech and neighboring localities.

within 5 years

- Adopt a business recruitment strategy to attract targeted retail and service businesses to downtown
- Work with the Montgomery County School Board and Board of Supervisors to create a long-range, mixed-use redevelopment strategy for the former Blacksburg Middle School site that contains a primary or secondary educational focus with the possibility of additional community, retail, restaurant, lodging, or conference uses. Involve developers interested in renovating the school property.
- Communicate the town's "business diversification" goals to key downtown property owners and work closely with them to reduce site, parking, or regulatory obstacles.
- Work closely with Virginia Tech to seek a higher utilization of key retail properties occupied by the university in the University City Boulevard and South Main Street areas.
- Explore options with Virginia Tech and the owner of the former K-Mart store on South Main Street to reestablish a retail use of that building.
- Explore creative partnerships with Virginia Tech concerning the development and location of the community arts facility.
- Initiate a targeted recruitment effort to attract a general merchandiser to Blacksburg.

- Work with downtown property owners to address localized parking needs and mitigate the impacts of parking facilities on nearby residential properties.
- Designate a downtown employee parking lot away from the primary commercial hub and encourage employees to park here. This will free up some additional parking to downtown consumers.
- Institute parking management practices that limit or prevent the use parking facilities for long-term student parking. Existing parking signage should also be replaced with brighter, more clearly defined signs.
- Consider the financing and construction of a joint public/private parking complex that will meet the current and future needs of downtown businesses and Virginia Tech and that will incorporate new commercial space if feasible.
- Work closely with downtown property owners to identify new leasing opportunities and explore adaptive reuse options for some of their downtown properties.
- Pursue and support plans to create one or more major attractions downtown that shift public perceptions about the downtown and create new business and investment opportunities.
- Incorporate a new public/private/university supported economic development corporation, the Blacksburg Partnership; then appoint a board of directors, hire a small staff to manage the redevelopment, business development/recruitment, and marketing & promotional affairs of the community.
- Hold monthly Blacksburg Partnership-sponsored downtown management breakfast meetings in order to plan upcoming events and troubleshoot problems and issues confronting downtown merchants and property owners.
- Provide professional staff assistance to the Downtown Merchants Association and the Blacksburg-Christiansburg Chamber of Commerce in the planning and organization of an expanded schedule of downtown events, promotions, and community festivals. Coordinate events with Virginia Tech events.
- Create a non-profit organization, *Blacksburg Events*, to sponsor and organize events in the downtown area on a regular basis.

- Create another signature event in the downtown that can be held in the Fall.
- Encourage an infill development strategy to encourage the development of new commercial space along College Avenue and Draper Road.
- Offer incentives for property owners to upgrade buildings, such as a façade grant program.
- Develop a community leadership program to cultivate, train, and motivate new leaders and provide project-based opportunities for individuals to develop these skills.
- Initiate a downtown marketing/promotional campaign to increase the awareness of the region about downtown Blacksburg, its business offerings, and the community in general.
- Adopt a business recruitment program to attract targeted businesses to leasable building space in the downtown.
- Work with Virginia Tech to create a town common or public green in the downtown to stage community events, festivals, and concerts.
- Support university construction of a major performing arts center in downtown Blacksburg to expand artistic and cultural offerings to residents of Blacksburg and Southwest Virginia and to create an exciting attraction in downtown Blacksburg.
- Seek the adoption of a Business Improvement District.
- Consider applying to the Virginia Main Street Program and seek technical assistance from the National Main Street Center.
- Adopt a business recruitment program to attract targeted businesses to leasable building space in these districts.
- Prepare a redevelopment plan for the South Main Street corridor from Country Club Drive, SW to the Blacksburg Industrial Park.
- Consider careful rezoning to create new mixed-use commercial nodes in the North End, Northwest, and Southwest sectors.
- Re-establish Blacksburg prominence in the area of E-government services and provide an array of business assistance services and information to local entrepreneurs.

- Create and maintain a current database of key retail properties that are underutilized, and work with property owners to maximize the use of this space.
- Make the development review and permitting process more “user-friendly” for individuals not familiar with the town’s process by providing more personalized plan review during the pre-proposal stage.
- Conduct a “Blacksburg Development Summit” with members of the local development community to discuss ways that the town can improve its plan review and permitting process for commercial/industrial development proposals.
- Offer density bonuses to developers willing to devote a share of their subdivision to affordably priced single-family residential units.
- Promote the creation of the Blacksburg Area Land Trust to acquire and seek the donation of sites for the development of future affordably-priced housing, in conjunction with non-profit housing developers.
- Zone appropriate areas for cluster housing or zero-lot line housing to meet the demand for affordable housing.
- Consider amending the Zoning Ordinance to allow for light manufacturing and assembly in the Research and Development District.
- Develop an area, similar to the industrial park, to allow incubator technologies or related businesses within Town to expand.
- Consider making modest changes in the town’s residential subdivision requirements (e.g., minimum street widths) to reduce the per unit site cost of residential development.
- Evaluate the cost of current and future development standards to ensure that the benefits accrued to the community are reasonable relative to the added cost of development.
- Become a more active partner with the county’s Economic Development Office and the New River Valley Economic Development Alliance in the recruitment of technology and information-based companies, and in the marketing of land in the Blacksburg Industrial Park.

- Encourage private property owners adjacent to Blacksburg Industrial Park to market their properties for industrial uses or sell land to a public development authority.
- Improve the appearance of the industrial park's entrance with a new sign and landscaping, trails, and other infrastructure improvements.
- Utilize Virginia Tech's alumni database to identify business leaders and entrepreneurs with past ties to Blacksburg, and use these contacts to help market the area, particularly for technology and information based businesses.
- Create marketing profiles of Virginia Tech alumni with a current corporate presence in Blacksburg and use these profiles to market to other alumni.
- Sponsor an annual golf event or complementary football weekend for selected corporate CEOs and business owners located in the Washington, DC metropolitan area with Virginia Tech connections as a way to showcase Blacksburg as a potential business location. Coordinate these events with Montgomery County's Economic Development Office and the New River Valley Economic Development Alliance.
- Establish a conflict resolution committee comprised of Virginia Tech, community residents and property owners, to resolve conflicts between students and non-student residents.
- Identify neighborhoods that would be eligible for state and federal assistance for housing rehabilitation and other neighborhood improvements.
- Initiate an on-going dialogue with the general public about growth and development issues. Use the town's web site, neighborhood meetings, and resident surveys to educate and seek input about these issues.
- Create a business enhancement program to encourage the organization of business districts.

within 25 years

- Work with Virginia Tech to provide secondary road access to the former Heth property west of the Route 460 Bypass and support the development of new multi-family residential communities in this area to meet future student housing needs.
- Consider a broader-based method of funding the construction of new trails and greenways on private property other than developer exactions.
- Incorporate an internal review of quality of life factors, as defined by the community, as part of the preliminary development review process and share the town's non-binding findings with applicants.
- Create a new educational partnership between the Town of Blacksburg, Montgomery County's School Board, New River Valley Community College, and Virginia Tech to create a "New Economy Technology Center" at the former Blacksburg Middle School. Technology curriculum and training should be incorporated into middle school, high school, adult continuing education, workforce development, and university degree programs.
- Construct elements of the Municipal Center Complex plan to include a downtown common and improved streetscape and to anchor the southern end of the central business district.